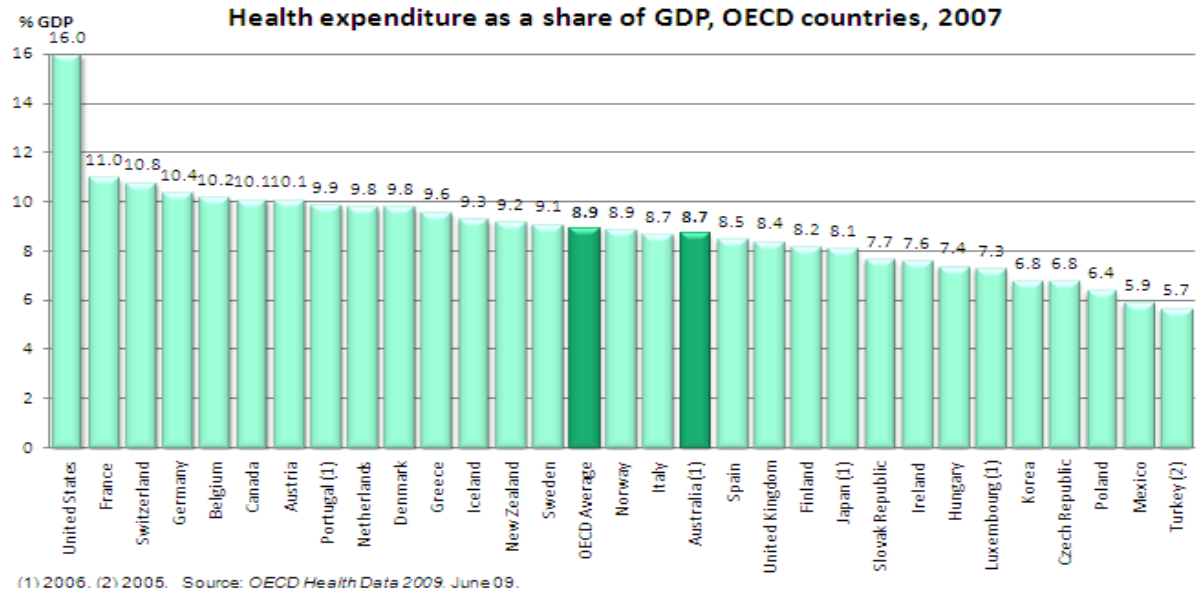
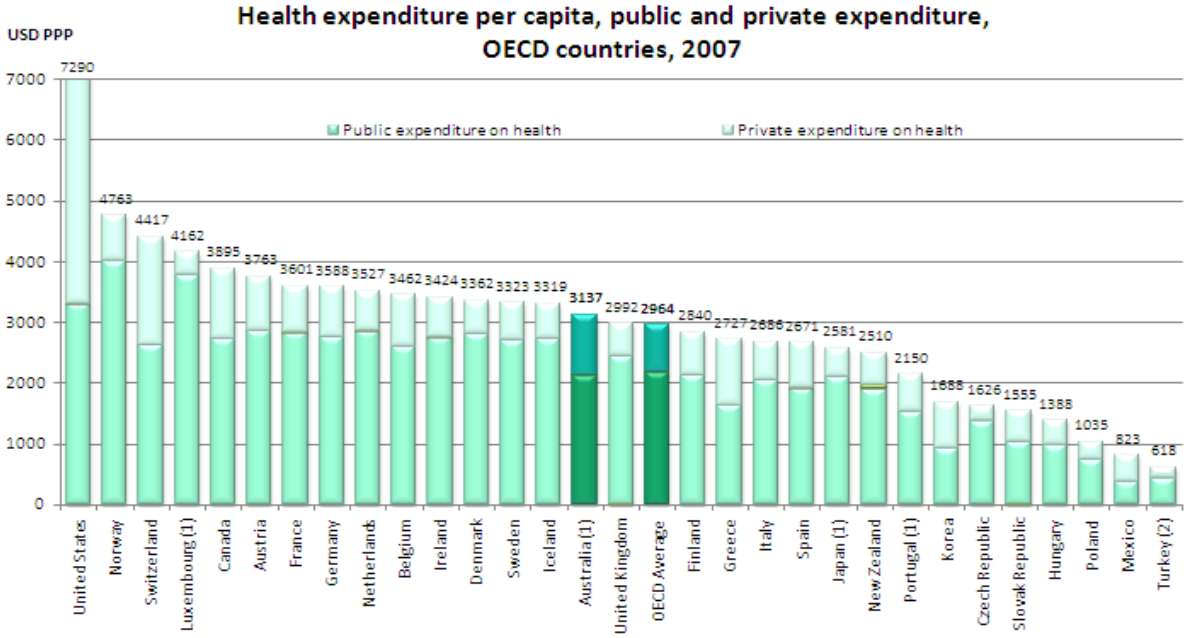
OECD Health Data 2009
How Does Australia Compare

Total health spending accounted for 8.7% of GDP in **Australia** in 2006–07, slightly lower than the average of 8.9% in OECD countries in 2007. Health spending as a share of GDP is lower in **Australia** than in the United States (which spent 16.0% of its GDP on health in 2007) and in a number of European countries including France (11.0%), Switzerland (10.8%) and Germany (10.4%).

Australia ranks above the OECD average in terms of total health spending per capita, with spending of 3137 USD in 2006–07 (adjusted for purchasing power parity), compared with an OECD average of 2964 USD. Health spending per capita in **Australia** remains nonetheless much lower than in the United States (which spent 7290 USD per capita in 2007) and in Norway, Switzerland and Luxembourg.



(1) 2006. (2) 2005. Source: *OECD Health Data 2009*. June 09.



(1) 2006, (2) 2005. Data for Belgium, Denmark and the Netherlands are current expenditures (excluding investment). Source: *OECD Health Data 2009*, June 09.
Data are expressed in US dollars adjusted for purchasing power parities (PPPs), which provide a means of comparing spending between countries on a common base. PPPs are the rates of currency conversion that equalise the cost of a given 'basket' of goods and services in different countries.

Between 2000 and 2006, health spending per capita in **Australia** increased in real terms by 2.9% per year on average, a growth rate slightly lower than the OECD average of 3.7% over 2000–2007.

The strong rise in pharmaceutical spending has been one of the factors behind the rise in total health spending in **Australia** as well as in many other OECD countries. In 2006–07, spending on pharmaceuticals accounted for 13.7% of total health spending in **Australia,** up from 11.2% in 1995.

The public sector is the main source of health funding in all OECD countries, except Mexico and the United States. In **Australia**, 68% of health spending was funded by public sources in 2006–07, below the average of 73% in OECD countries.

Resources in the health sector (human, physical, technological)

Despite the relatively high level of health expenditure in **Australia**, there are fewer physicians per capita than in most other OECD countries. In 2006, **Australia** had 2.8 practising physicians per 1 000 population, below the OECD average of 3.1. **Australia** has maintained a balance between general practitioners and specialists, each at 1.4 per 1 000 population. There were 9.7 nurses per 1 000 population in **Australia** in 2006, a similar figure to the average in OECD countries.

The number of acute care hospital beds in **Australia** was 3.5 per 1 000 population in 2006–07, slightly below the OECD average of 3.8 beds per 1 000 population. As in most OECD countries, the number of hospital beds per capita in **Australia** has fallen over time. This decline has coincided with a reduction of average length of stays in hospitals and an increase in the number of surgical procedures performed on a same-day (or ambulatory) basis.

During the past decade or so, there has been rapid growth in the availability of diagnostic technologies such as computed tomography (CT) scanners and magnetic resonance imaging (MRI) units in most OECD countries. In **Australia**, the number of MRIs has increased from 0.6 per million population in 1990 to 5.1 in 2007, although these include machines eligible for Medicare reimbursement only. The OECD average was 11.0 MRI units per million population in 2007.

Health status and risk factors

Most OECD countries have enjoyed large gains in life expectancy over the past decades, thanks to improvements in living conditions, public health interventions and progress in medical care. In 2007, life expectancy at birth in **Australia** stood at 81.4 years, more than two years higher than the OECD average. **Australia** has the third highest life expectancy among OECD countries, following Japan and Switzerland.

The infant mortality rate in **Australia,** as in other OECD countries, has fallen greatly over the past decades. It stood at 4.2 deaths per 1 000 live births in 2007, lower than the OECD average of 4.9. Infant mortality is lowest in Japan, Luxembourg and in Nordic countries (Iceland, Sweden and Finland).

The proportion of daily smokers among adults has shown a marked decline over the past two decades in most OECD countries. **Australia** provides an example of a country that has achieved remarkable progress in reducing tobacco consumption, cutting by half the percentage of adults who smoke daily (from 35.4% in 1983 to 16.6% in 2007). The smoking rate among adults in **Australia** is now one of the lowest in OECD countries, behind only Sweden and the United States. Much of this decline in **Australia** and in other countries can be attributed to policies aimed at reducing tobacco consumption through public awareness campaigns, advertising bans and increased taxation.

At the same time, obesity rates have increased in recent decades in all OECD countries, although there remain notable differences across countries. In **Australia**, the obesity rate among adults, based

on actual measures of height and weight, was 21.7% in 1999 (the latest year available). It is lower than in the United States (34.3% in 2006) and about equal to the obesity rate in United Kingdom (24.0% in 2007)[1]. Given the time lag between the onset of obesity and related health problems (such as diabetes, cardiovascular diseases and asthma), the growing prevalence of obesity in most OECD countries, including **Australia**, foreshadows higher health care costs in the future.

More information on ***OECD Health Data 2009*** is available at www.oecd.org/health/healthdata.

For more information on OECD's work on **Australia**, please visit www.oecd.org/australia.

[1] The data for the United States, the United Kingdom and Australia are more accurate than those from most other countries since they are based on *actual measures* of people's height and weight, while estimates for most other countries are based on *self-reported* data, which generally under-estimate the real prevalence of obesity.